

# Exhibit CC

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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U.S. SECURITIES AND EXCHANGE :  
COMMISSION, :  
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Plaintiff, :  
 :  
vs. : Civil Action No. 19-cv-5244 (AKH)  
 :  
KIK INTERACTIVE INC., :  
 :  
Defendant. :  
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**DECLARATION OF JAMES WEATHERMAN**

I, James Weatherman, declare as follows:

1. I have personal knowledge of the facts set forth herein, and if called to testify, I could and would competently testify thereto.
2. I have been a commercial airline pilot for over twenty years. I am also the founder of Moose Landing LLC, which owns and operates the mobile application KinFit, an active participant in the Kin ecosystem.
3. I purchased Kin on the secondary market in approximately December 2017, soon after Kik Interactive Inc.'s ("Kik") Token Distribution Event ("TDE").
4. I am not an employee or contractor for Kik, nor have I been at any point in time.

**A. Introduction to Kin and the Kin Ecosystem**

5. Before Kin, I had purchased Bitcoin, Cardano, and Iota and followed cryptocurrencies generally, but I had not been interested in actively using a cryptocurrency until I heard about Kin.

6. I recall reading the Kin white paper and being impressed by the concept because it involved a digital ecosystem designed to promote daily use of Kin in everyday transactions. I believed that the use of Kin in this manner made it different from other cryptocurrencies.

7. I was excited at the prospect that regular people like me could earn and spend this cryptocurrency within applications for activities we already engaged in on a daily basis.

8. I also believed that the social-media industry is dominated by a few major companies, which profit from placing advertisements in front of users and selling their data. Kin, on the other hand, was premised on a shared reward system where users would be rewarded for their participation within apps, and developers could monetize applications in new ways that did not negatively affect the user experience.

9. After reading the Kin white paper, I considered the most compelling attribute of the Kin concept to be that anyone could build an application and be part of the Kin ecosystem.

10. I did not believe that Kik itself would build the Kin ecosystem. Rather, I understood that Kik's role was to provide the underlying infrastructure that would allow developers to build on the blockchain, but that it would take many developers and users to do the work of actually creating the ecosystem.

11. From reading the white paper, I recall thinking that the Kin ecosystem would consist of many different applications and websites building applications that would utilize Kin tokens, wherein users could earn Kin in one application, then spend it in another.

12. I initially bought a small amount of Kin on an exchange with the intention of using it as a digital currency.

13. When I bought Kin, I also understood anyone – not just Kik – could contribute to the ecosystem by building digital applications or tools that would use Kin within them. I knew

that the software creating and powering the Kin tokens was open source and operated on the blockchain, making it possible for me or any other person to access the code and help develop the ecosystem without assistance from Kik.

14. When I bought Kin, I understood that for the Kin ecosystem to be successful, a large number of developers and users would have to earn and spend (or otherwise transact in) Kin tokens as a medium of exchange in the Kin ecosystem.

15. Nothing I read caused me to believe that if I purchased Kin, Kik would be working on my behalf or otherwise to make my purchase profitable.

16. When I purchased Kin, my understanding of the Kin ecosystem was that it would involve many digital applications and services that would allow users to transact in Kin. I understood that users could buy and sell digital services within these applications using Kin, and that participants in the ecosystem would be rewarded in Kin for their contributions (e.g., the applications and services they provided).

17. I believed in Kin because I felt that it would have real use cases, and that real currency would be exchanged for goods and services.

18. In my travels to China, I had seen how digital currency was seamlessly used to transact in daily life. I believed that Kin had the potential to be used similarly in the United States.

19. Soon after I bought Kin, after thinking more about how a business could be built around Kin, I decided to build an application that would participate in the Kin ecosystem.

20. After I decided to build an application, I purchased more Kin on exchanges to provide the initial supply of Kin that would be needed. This was because I thought I would need a larger amount of Kin to operate a business using Kin than I would need if I were solely using Kin for personal purposes.

**B. Developing and Launching KinFit**

21. I came up with the concept for KinFit in early 2018. I had the idea that I could use Kin to encourage physical activity, which is important to me. As a pilot, I am often sedentary and work long hours, so I am always seeking ways to incentivize myself to be active.

22. The idea for KinFit was that the app could reward users directly in currency for being active, by paying Kin per step walked.

23. I needed technical help to build and launch the mobile application, so I posted on the website Reddit seeking a developer to help me. Luc Hendriks replied to my post, and we began working together to build and launch KinFit, which we did in spring of 2019.

**C. KinFit's Functionality**

24. KinFit is now live and available on the Apple App Store, as well as on the Google Play Store for Android.

25. KinFit tracks users' steps and rewards them per step taken with Kin. The goal of the application is to incentivize users to be more active by rewarding them in Kin for steps walked.

26. At first, we launched an MVP version of the application, to represent how the application would work. Over time, we introduced more features, and now the application allows users to send the Kin earned to other applications.

27. Currently, KinFit automatically pays out Kin per steps taken, and then users can spend Kin on features such as a "Doubler," which will double the amount of Kin earned per step. Users can also send the Kin they earn to other applications in the Kin ecosystem, or can donate it to UNICEF within the KinFit application.

**D. KinFit's Business Model**

28. To provide rewards to users in Kin, KinFit needs a large supply of Kin tokens. I used the Kin I purchased on the secondary market toward this supply.

29. All developers who have applications in the Kin ecosystem compete for rewards in Kin from the Kin Rewards Engine, which we receive based on the extent Kin is used within our application.

30. KinFit earns Kin from the Kin Rewards Engine, as well as revenue from users who purchase features within the app. In order to use the currency we receive in the form of Kin, it is important for our business that we are able to exchange that Kin for fiat currency using a secondary exchange.

31. If there are no available exchanges, we cannot use the Kin we earn to pay for expenses in our business. For example, we need to use the Kin we have earned to pay for marketing, which would require us to first convert the Kin to USD.

32. I also believe that the proliferation and demand for Kin is being negatively impacted by this lawsuit, which discourages new developers, users, and exchanges from joining the ecosystem.

33. If not for the cloud of this lawsuit, I believe that the Kin ecosystem, including our business and many like it, could grow substantially.

**E. The Kin Ecosystem Today**

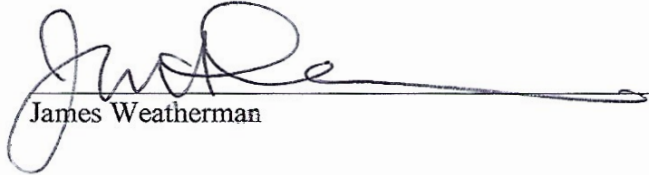
34. In my opinion, the Kin ecosystem functions as I understood it would before I purchased Kin, in that Kin is being used by millions of users as a real currency.

35. I have personally downloaded and used approximately 15 to 20 applications that use Kin. My daughter has also used Kin in the Perfect 365 application.

36. Based on my regular review of transactions in the Kin ecosystem, Kik Messenger has not turned out to be the biggest player in the Kin ecosystem. I have seen applications such as Madlipz and Rave that have consistently generated far more Kin transactions.

I declare under the penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on this 24<sup>th</sup> day of April 2020.



James Weatherman